



# Montgomery County Council

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**For Immediate Release**

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***Balanced approach includes critical improvements in schools,  
public safety, human services ...***

## **COUNCIL CUTS BUDGET, REDUCES PROPERTY TAXES, INVESTS IN COMMUNITY**

**Council Triples Across the Board Tax Relief over Duncan Budget;  
Average Homeowner to Receive \$300 Tax Reduction**

**Council Makes \$7 Million "Down Payment" on Infrastructure &  
Maintenance Backlog, Ends "Carry-In, Carry-Out" Trash Policy in Parks**

The Montgomery County Council today announced unanimous agreement on a budget for the fiscal year beginning July 1 that reduces property taxes by \$86 million to the Charter limit and cuts the County Executive's proposed operating and capital budgets by \$54 million while supporting needed investments for the school system, Montgomery College, public safety, and services for vulnerable County residents.

The County Council approved a property tax fairness package that will give property tax relief of about \$300 to the average County homeowner and includes three separate property tax fairness measures.

The Council lowered the property tax rate by four cents per \$100 assessed valuation, which will save the owner of a home assessed at \$400,000 about \$180 in property taxes. Every County homeowner will also receive a credit of \$116 on their property tax bill. Also, under a Council-initiated expanded "circuit-breaker" tax credit, homeowners with incomes lower than \$55,000 can receive additional targeted tax relief based on the first \$300,000 of their home's assessed value – tax relief that would average \$900 per household for those eligible, which is four times the current average credit.

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All told, the average County homeowner with a home assessed at \$400,000 will see at least a \$296 reduction in his or her property taxes – more if they qualify for the circuit-breaker credit.

The Council action doubles the County Executive's proposed two-cent rate reduction and more than triples overall across-the-board tax relief.

The Charter limit requires the County to limit property tax revenue on existing real property to last year's revenue plus 2.8 percent inflation.

The tax-supported budget announced by the Council totals \$3.05 billion, a 7.7 percent increase over last year – and \$54 million less than the County Executive's proposed budget, which represented nearly a 10 percent increase.

"County residents have spoken loud and clear and the Council has listened," said Council President Tom Perez.

"People also wanted property tax fairness. We've given three different kinds – totaling at least \$300 for the average household -- and targeted some of the relief to those most in need – and we've come in at the Charter limit. We also held the line on the County energy tax rate.

"People understand that continued investment in critical County needs is necessary. And so we've funded truly needed improvements in the schools and college, in our police, and in our social safety net.

"The Council has carefully reviewed the budget. We have funded the 'gotta-haves' and make no mistake, many of those 'gotta-haves' are things to help those that are less fortunate or dealing with hard times in their lives.

"I know that the County Executive and the Council share a commitment to investing in our community and helping all our County residents to reach for the stars and realize their God-given potential. I applaud the County Executive for his investment in a wide range of community-building activities.

"Working together, we all have crafted a budget that is both fiscally and morally responsible."

"We are providing our schools with \$1.6 billion, a 7 percent increase over this year (and \$3 million more than the Executive's actual funding level). Included in the schools budget are initiatives to expand full-day kindergarten to 20 additional schools, reduce class size guidelines in elementary schools by two students, (more...)

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reduce oversized classes in secondary schools, and add assistant principals in 15 elementary schools.

"We are providing virtually full funding for Montgomery College, including the expansion of the College Institute Program. The testimony we received from faculty, students, and administrators was compelling, and we are fully committed to joining them in their great work. Montgomery College will see a 10.7 percent increase in its budget under the Council plan.

"We are investing almost \$5 million – a \$3 million increase -- in "Montgomery Cares," which provides health care to the uninsured in our midst and, in FY06, will begin to provide dental services

"We are replacing a \$441,000 federal grant that has expired so that women can continue to receive substance abuse treatment. We are continuing to increase our local investment in the Drug Court, which will help some of our revolving door offenders deal with their addiction and prevent their return to the criminal justice system.

"We are funding \$200,000 for a school-based health center feasibility study, something that I have personally wanted for at least a year. We have two centers now, they are proven to be successful, and we need a long-term plan to spread this good practice to other areas of the county. I know the Council's commitment to this will be as strong as our commitment to continue to move forward with the Linkages to Learning Plan.

"We continue to invest in our critical partnerships with the non-profit community. Just one example is our support for Saturday schools, after-school tutoring, and community-based educational programs such as the George Thomas Learning Centers that help our children achieve in school and grow as members of our community.

"We are providing County funds to replace grants funds for the operations of the Children's Assessment Center, which provides specialized medical exams and services for children who are victims of abuse.

"We are funding 24/7 coverage by adult protective services at the Crisis Center to best handle emergencies from vulnerable adults.

"We are expanding the rental assistance program to reduce the waiting list and serve 83 more clients than in FY 2005.

"We are enhancing in-home aide services to seniors to reduce the waiting list.  
(more...)

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“We are continuing funding for the Safe Start program, which was initiated by Councilmember Michael Subin, that provides short-term counseling to children who are exposed to domestic violence and works to place them in long-term counseling when necessary. This is prevention at its best.

“We recognize how much people love our libraries and are expanding materials for the new Rockville and Germantown libraries.

“We are committed to public safety and to preventing our County from ever having a serious gang problem. The Council is committed to shared funding of a joint Prince George’s/Montgomery County Opportunities Center. We have funded a violence prevention coordinator and we are bringing on a Police Sergeant in July to better coordinate the efforts already underway in the Police Department and develop new strategies to address emerging problems.

“This budget boosts Police spending by \$18 million – or 11 percent – and adds 34 new positions.

“We are spending \$340,000 to increase staffing and improve response times in three County firehouses. We must serve the new and growing parts of the County as well as making sure that staffing and apparatus in the more established parts of the County are ready to respond when there is a medical emergency or other call to 911.

“And we’ve done all this in the face of promises broken and unfunded mandates passed along by the state and federal governments. It’s a sign of the times that local governments are left holding the bag when the state and the feds decide to punt on third down and pull their teams off the field.”

The Council also made a \$6.9 million “down payment” on a backlog of needed infrastructure and deferred maintenance of County facilities identified by a Council-initiated County task force chaired by Councilmember Marilyn Praisner. The increases are:

<b>County Government</b>	
Planned Life-Cycle Asset Replacement: MCG	\$250,000
Guardrail Projects	175,000
Resurfacing: Primary/Arterial	2,540,000
Sidewalk & Infrastructure Revitalization	800,000
Streetlighting	583,000
<b>Montgomery College</b>	
Planned Life-Cycle Asset Replacement	\$775,000
Roof Replacement	45,000
<b>M-NCPPC</b>	

Planned Life-Cycle Asset Replacement: Non-local	\$1,189,000
Planned Life-Cycle Asset Replacement: Local	250,000
Roof Replacement: Non-local Parks	63,000
Roof Replacement: Local Parks	37,000
Ballfield Initiatives	217,000
Resurfacing Park Roads and Bridge Improvements	12,000
<b>TOTAL</b>	<b>\$6,936,000</b>

As part of the budget deliberations concerning the Maryland-National Capital Park and Planning Commission, the Council ended the nearly two-year-old “Carry-In, Carry-Out” experiment that removed trash cans from most County parks. The Council directed the Commission to replace trash cans needed to deal with refuse in the parks.

Among the reductions to the budget made by the Council were the \$113,000 request by the County Executive to establish a higher education “czar,” elimination of the County’s \$1.5 million Partnership for the Arts and Recreation matching grants, \$700,000 in artificial turf funding for County parks, \$220,000 by eliminating a promotional recycling calendar, \$300,000 in arts funding for the Baltimore Symphony Orchestra and the National Philharmonic, \$125,000 to develop a “Senior Strategic Plan” for the County, \$8 million in school system reductions, \$250,000 for back-up natural gas bus fuelling facilities, and \$250,000 in the Recreation Department’s Outdoor Adventure program.

The Council will formally approve the budget next Thursday, May 26.

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